

Commerce Committee State Capitol Building, Room 110 Hartford, CT 06106

RE: SUPPORT for Bill H.B. No. 5576 for Sustainable Tourism Funding

Dear Commerce Committee:

My name is Stephen Tagliatela and my family and I have owned Saybrook Point Inn & Spa and Saybrook Point Marina in Old Saybrook, Connecticut for more than 25 years. I am writing to you to support <u>Bill H.B. No. 5576</u> for Sustainable Tourism Funding in the state. I would encourage you to also support <u>Bill H.B. No. 5576</u>, and stand by your constituents and the thousands of workers and families who are employed by our industry.

In Connecticut, the tourism budget is under constant scrutiny, and continuously leveraged for political gain. It was famously cut to \$1 under a former administration. And while this current administration has done a fine job at restoring funding levels, the industry remains under constant attack, and is now proposing to eliminate Connecticut's Tourism Districts.

As one of the state's largest industries and employers, we need a dedicated source of funding in order to continue to market and promote Connecticut as a destination for leisure and business travelers

As we know, Connecticut's Occupancy Tax was initially established and historically raised from 12% to 15% as a way to help support tourism in the state. Our government leaders need to fulfill this promise. If we could take the Occupancy Tax and secure it specifically to support tourism, the future of our industry would be more stable.

Tourism has powerful benefits for the state, i.e. jobs, revenue, quality of life, small (and large) business growth, economic development, resident retention, positive public image, and historic and environmental preservation.

The statistics are compelling:

- \$14 billion in total traveler spending
- \$1.6 billion in total tax revenues
- \$513 million in state taxes
- \$345 million in local taxes
- \$1.8 billion in wages
- 118,500 in jobs

And according to the US Travel Association, without these jobs generated by domestic and international travel, Connecticut's 2013 unemployment rate of 7.8% would have been 11.4% of the labor force. In addition, for every \$1 million spent in Connecticut by travelers, 6.7 jobs are created. Each household would need to be taxed an additional \$640 per year to replace the traveler taxes received by state and local governments, which ultimately help fund state needs in transportation, education, health and human services. This is the real power of tourism, and the future of the state's industry is today.

Tourism has been a measured bright spot in Connecticut's economic recovery. This is not the time to take it off track. Here are some additional statistics that you should consider:



- 4.7 percent of all jobs in the state are directly or indirectly related to the lodging industry in Connecticut
- \$811.8 million in tax revenue for state and local governments is generated by lodging industry hotels, motels, resorts, or lodges in 2014
- 11,508 lodging jobs in 2014
- \$356 million in private sector employee wages
- In 2014, 4.7 percent of all jobs in the state were directly or indirectly related to the lodging industry, with hotels, motels, resorts, or lodges generating \$1.5 billion in tax revenue for state and local governments
- \$1.5 billion in total sales activity is generated across the state interlinking with other industries, such as transportation, restaurants, agriculture, manufacturing and recreational activities and venues.

The DECD statewide marketing funding and the Regional Tourism District funding should be restored to previous the 2015 session budget plan in order to strengthen and encourage tourism growth in Connecticut, as well as bolster the perception and consideration of Connecticut as a travel destination by creating a positive economic impact and increasing tourism.

Sincerely.

Stephen Tagliatela

Innkeeper/Managing Partner

Saybrook Point Inn & Spa Saybrook Point Marina